

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG RANGE PLANNING**

**Call to Order:** By **CHAIRMAN MATT MCCANN**, on January 30, 2001 at 8:00 A.M., in Room 350 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Matt McCann, Chairman (D)  
Sen. Bob Keenan, Vice Chairman (R)  
Sen. Tom A. Beck (R)  
Rep. Dave Kasten (R)  
Sen. Jon Tester (D)  
Rep. Steve Vick (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Jane Hamman, OBPP  
Andrea Hyatt, Committee Secretary  
Brian McCullough, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: HB 9, 1/27/2001  
Executive Action: HB 11; HB 10; HB 8; HB 7

**NOTE:** Reference book is: Governor's Budget, State of Montana, Fiscal Years 2002-2003, Montana Cultural Trust, Volume 6.

**CHAIRMAN MCCANN** opened the Cultural Trust hearings.

**CHAIRMAN MCCANN** opened the hearing for **Grant #917, KUFM-TV, Pg. 17.**

**Proponents' Testimony:**

**William Marcus, KUFM-TV, University of Montana-Montana PBS,** discussed the history of past projects and the plans for the current project. He provided a power point presentation with testimony from Ron Ireland, 7<sup>th</sup> Grade teacher in Missoula County Public Schools and Washington Middle School.

**Opponents' Testimony:** None.

**Questions from Committee Members and Responses:**

**CHAIRMAN MCCANN** questioned if they had other funding. **William Marcus** responded.

**CHAIRMAN MCCANN** closed the hearing for **Grant #917, KUFM-TV, Pg. 17.**

*{Tape : 1; Side : A; Approx. Time Counter : 83}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #957, Montana Ballet Company, Pg. 58.**

**Proponents' Testimony:**

**Ann Bates, Artistic Director, Montana Ballet Company,** provided background history of their 17 years in existence and handed out two pamphlets: 1) Montana Ballet Company Notes Fall Newsletter and 2) Montana Ballet Company 16<sup>th</sup> Annual Performance Season.

**EXHIBIT(jlh24a01)**

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

**REP. KASTEN** questioned the cost for a performance and what schools they visit. **Ann Bates** responded.

**CHAIRMAN MCCANN** closed the hearing for **Grant #957, Montana Ballet Company, Pg. 58.**

*{Tape : 1; Side : A; Approx. Time Counter : 196}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #927, Montana Committee for the Humanities, Pg. 27.**

**Proponents' Testimony:**

**Mark Sherouse, Executive Director, Montana Committee for the Humanities,** provided a handout of his testimony and their

Spring/Summer catalog 2000. **EXHIBIT(jlh24a02)** He described the purpose of the committee, their services and how it benefits the communities in Montana.

**Opponents' Testimony:** None.

**Questions from Committee Members and Responses:**

**REP. KASTEN** questioned the source of their funding base. **Mr. Sherouse** responded that in past years they received \$435,000.00 from the National Endowment and they do seek other sources for funding. **SEN. TESTER** questioned how much of Montana is serviced and is it regional. **Mr. Sherouse** responded that most is in the West and referred to page 3 of **EXHIBIT 2** that shows the communities they have assisted. **SEN. TESTER** questioned if the communities had to put in funding also. **Mr. Sherouse** responded that with funding problems this year, they have instituted that there be a co-pay of \$50.00; they do waive that for organizations that do not have the resources and they take in to consideration the in-kind match of rental space, advertising, etc. **CHAIRMAN MCCANN** questioned on the co-pay. **Mr. Sherouse** stated they ask them to match the \$350.00 cash cost of a program. **CHAIRMAN MCCANN** questioned the cost to a small community like Grass Range compared to Kalispell. **Mr. Sherouse** stated that most of the match is volunteer time which has a value whether in Grass Range or Kalispell, along with rental of space and equipment. **SEN. TESTER** questioned how they chose their speakers and do they limit the number of speakers. **Mr. Sherouse** described the process.

**CHAIRMAN MCCANN** closed the hearing for **Grant #927, Montana Committee for the Humanities, Pg. 27.**

**CHAIRMAN MCCANN** opened the hearing for **Grant #963, Vigilante Theatre Company, Pg. 64.**

*{Tape : 1; Side : A; Approx. Time Counter : 421 - 469}*

**Proponents' Testimony:**

**John Hosking, Artistic Director, Vigilante Theatre Company,** discussed the history since its beginning in 1981. He described their performance tours throughout the state; for conventions and other groups.

*{Tape : 1; Side : B; Approx. Time Counter : 25}*

**Mr. Hosking continued his testimony.** He continued to describe the various performances they have presented throughout the

state. He described one of their performances regarding the re-introduction of the wolf where a cowboy has a nightmare where he is the endangered species and they are now trapping cowboys in Canada and bringing them back to Montana. He discussed their funding, expenditures and sliding scale charge.

**REP. CINDY YOUNKIN, HD 28**, is a **board member** for the Vigilante Theatre Company, is in favor of the funding. She stated that they really know how to stretch a buck farther than anybody she has seen and they put the grant to good use.

**Opponents' Testimony:** None.

**Questions from Committee Members and Responses:**

**CHAIRMAN MCCANN** questioned their sliding scale and how they base the fee. **Mr. Hosking** explained the process to determine the fee. **REP. KASTEN** questioned their schedule and availability.

**CHAIRMAN MCCANN** closed the hearing for **Grant #963, Vigilante Theatre Company, Pg. 64.**

*{Tape : 1; Side : B; Approx. Time Counter : 126}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #906, Montana Five Rivers Festival of Film, Pg. 28.**

**Terry Cyr, General Manager, Five Rivers Festival of Film, Missoula**, described the events during the festival and the diversity of the films and people. It is non-profit and run by volunteers; their expenses are operational.

**Opponents' Testimony:** None.

**Questions from Committee Members and Responses:**

**SEN. TESTER** questioned the ticket price; the cost for the last festival and other funding sources. **CHAIRMAN MCCANN** questioned who makes up the audience and how many. **Terry Cyr** responded.

**CHAIRMAN MCCANN** closed the hearing for **Grant #906, Montana Five Rivers Festival of Film, Pg. 28.**

*{Tape : 1; Side : B; Approx. Time Counter : 252}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #974, Butte-Silver Bow Public Archives, Pg. 75.**

Proponents' Testimony:

Ellen Crain, Executive Director, introduced a board member to do the presentation. Marissa Newman, realtor and member of Board of Directors of the Butte-Silver Bow Public Archives, described their project and their plans for the grant funds. A handout was provided. **EXHIBIT(jlh24a03)**

LARRY CYR, HD 37, spoke in favor of the funding.

Opponents' Testimony: None.

Questions from Committee Members and Responses:

REP. KASTEN questioned the match on the federal grant. CHAIRMAN MCCANN commented that their group has returned money to the committee in the past and questioned how past funding was spent. Ms. Newman responded.

CHAIRMAN MCCANN closed the hearing for Grant #974, Butte-Silver Bow Public Archives, Pg. 75.

*{Tape : 1; Side : B; Approx. Time Counter : 392-466}*

CHAIRMAN MCCANN opened the hearing for Grant #930, Montana Repertory Theatre, Pg. 31.

Proponents' Testimony:

Greg Johnson, Artistic Director, Montana Repertory Theatre, described their educational outreach program throughout Montana.

*{Tape : 2; Side : A; Approx. Time Counter : 0}*

Mr. Johnson, continued his testimony.

Opponents' Testimony: None.

Questions from Committee Members and Responses:

REP. KASTEN questioned their past budgets and expenses.

CHAIRMAN MCCANN closed the hearing for Grant #930, Montana Repertory Theatre, Pg. 31.

*{Tape : 2; Side : A; Approx. Time Counter : 15}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #937, Alberta Bair Theater, Pg. 38.**

**Proponents' Testimony:**

**Bill Fisher, Executive Director, Alberta Bair for the Performing Arts,** described their program and its role in education. The committee viewed a video of testimonials from students and adults in favor of funding for the theater.

**SEN. ROYAL JOHNSON, SD 5,** spoke in favor of funding.

**Opponents' Testimony:**

**Questions from Committee Members and Responses:**

**CHAIRMAN MCCANN** questioned the staffing of the theater. **Bill Fisher** responded.

**CHAIRMAN MCCANN** closed the hearing for **Grant #937, Alberta Bair Theater, Pg. 38.**

*{Tape : 2; Side : A; Approx. Time Counter : 124}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #949, Growth Thru Art Inc., Pg. 50.**

**Proponents' Testimony:**

**Ian Elliot, Program Director, Strengthening Growth Thru Art,** described his program and how it is designed for individuals with disabilities. It provides self-esteem, personal empowerment, inclusion and artistic excellence from those who would not otherwise have their voice heard. He stated that he believes the old adage that a picture is worth a thousand words, so he added a couple of thousand words through showing the committee various artwork from some of their artists. He also quoted a poem entitled "Open Door".

**NOTE: Also refer to Grant #964, Western Heritage Center testimony of SEN. ROYAL JOHNSON.**

**Opponents' Testimony:** None.

**Questions from Committee and Responses:**

**Brian McCullough** questioned the federal match. **Mr. Elliott** described their various grants, donations and other funding.

**CHAIRMAN MCCANN** closed the hearing for **Grant #949, Growth Thru Art Inc., Pg. 50.**

*{Tape : 2; Side : A; Approx. Time counter : 269}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #928, Montana Historical Society, Pg. 29.**

**Carleen Layne** provided the committee with an updated sheet for this project. **EXHIBIT(jlh24a04)**

**Proponents' Testimony:**

**Martha Kohl, Editor, Montana Historical Society Press,** provided a handout and introduced **Mary Murphy, Associate Professor of History, MSU Bozeman.** **EXHIBIT(jlh24a05)** **Ms. Murphy** described the project and use of the funding to return the photographs back to Montana.

**Opponent' Testimony:**

**Questions from Committee Members and Responses:**

**REP. KASTEN** questioned their income from the past year. **Brian McCullough** questioned their coordination with other groups working on historical photography.

**CHAIRMAN MCCANN** closed the hearing for **Grant #928, Montana Historical Society, Pg. 29.**

*{Tape : 2; Side : A; Approx. Time Counter : 439-467}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #964, Western Heritage Center, Pg. 65.**

**Lynda Burk Moss, Director, Western Heritage Center,** provided the background on the request for an operational grant.

*{Tape : 2; Side : B; Approx. Time Counter : 26}*

**Ms. Burk Moss continued her testimony.** She provided a portion of a video on the oral history of Montana; Red Killan who was a sheep rancher near Miles City. She also provided pamphlets and brochures. **EXHIBIT(jlh24a06)**

**SEN. ROYAL JOHNSON, SD 5,** spoke in favor of funding for this program and that of Ian Elliott's earlier testimony.

**{Tape : 2; Side : B; Approx. Time Counter : 114}**

**Opponents' Testimony:**

**SEN. BILL GLASER, SD 08**, stated that: "as long as the current administration is there, I cannot support this money going to them....."

**Questions from Committee Members and Responses:**

**SEN. KEENAN** questioned their operation hours and their expenses. **Ms. Burk Moss** responded.

**{Tape : 2; Side : B; Approx. Time Counter : 172}**

**CHAIRMAN MCCANN** stated he had a question for **SEN. GLASER** and that he wanted to be very careful in asking the question, because he does not want to enter into the arena that perhaps the people of Montana, State of Montana is what this grant revolves around; can you contribute to your opposition to this particular project or this particular grant. He understood his opposition was not to the entire program but to this particular grant project.

**{Tape : 2; Side : B; Approx. Time Counter : 182-210}**

**Opponent' Testimony continued:**

**SEN. BILL GLASER** responded: I think you perceived it correctly, my opposition is with this particular line item in the program. I have good cause to have no trust in the administration of this particular assembly to comply with the laws and the statutes. Part of the administration of this facility was allegedly up for confirmation and it had been pulled back because several members of the Senate have cause to have distrust for the administration. I want you to understand this is not personal, there are folks that I like and folks that I don't like, but I would never do anything in here because I either like or do not like somebody. When I have cause to distrust because of their actions; then I cannot support it. I would be glad to bring the witnesses forward of the actions that I have concern for, if the legislature wishes to. I am currently preparing a letter for the Governor ... the folks that are involved and the process not be considered for re-appointment for anything in the current administration.

**{Tape : 2; Side : B; Approx. Time Counter : 211}**



**CHAIRMAN MCCANN** thanked the Senator and stated that it was not typical for the committee to deal with opponents and he was caught off guard, in fact, I have been pretty intentional in not asking for opponents, assuming that there are no opponents out there. That is why I asked for the explanation. He then asked for further comments.

**Mark Browning, Custer County Art Center**, stated he did not know about the administration, any snafues or internal dealings and workings of the organization; but, professionally having shared programs with this organization and their openness to deal with/from another organization's standpoint, they are very professional and very helpful to us, as a smaller community, when they ask for resources that they do carry. So I can balance a little bit, but I cannot ... other standards. But, my dealings with them; I have been very pleased.

**CHAIRMAN MCCANN** closed the hearing for **Grant #964, Western Heritage Center**, Pg. 65.

*{Tape : 2; Side : B; Approx. Time Counter : 235}*

**CHAIRMAN MCCANN** opened the hearing for **Grant #981, Paris Gibson Square**, Pg. 82.

**Proponents' Testimony:**

**Jessica Hunter, Executive Director of the Paris Gibson Square Museum of Art, Great Falls**, provided an exhibition catalog from a recent show and a copy of their quarterly newsletter.

**EXHIBIT (j1h24a07)** She described the purpose of the museum; their recent renovation and what this grant would accomplish.

**Opponents' Testimony:** None.

**Questions from Committee Members and Responses:**

**CHAIRMAN MCCANN** questioned how much of the building they use. **Ms. Hunter** responded.

**CHAIRMAN MCCANN** closed the hearing for **Grant #981, Paris Gibson Square**, Pg. 82.

*{Tape : 2; Side : B; Approx. Time Counter : 369-470}*

**CHAIRMAN MCCANN** invited **Judy Ericksen** to provide a closure presentation regarding the different categories and funding

levels. **Ms. Ericksen** provided the committee with information on the trust, how the grants are setup, and how her committee works.

**{Tape : 3; Side : A; Approx. Time Counter : 0-237}**

**Ms. Ericksen continued her presentation.** The committee had questions during her presentation and she provided answers. She provided a handout entitled "Communities Benefitting from Montana's Cultural Trust Activities". **EXHIBIT(jlh24a08)** She named co-workers who have assisted her through this process: Carleen Layne, accountant; Laurel Wycoff, timing assistant; Kristen Hand, data base and audio visual; Mark Sherouse, committee member; Mark Browning, Miles City; Ellen Crain.

**CHAIRMAN MCCANN** questioned the fund balance, funds reverted, during the review of categories for grants, whether they be operational, support or special projects and the amount of funding available. **Ms. Ericksen** responded. **Carleen Layne** provided details on the funding and responded to further questions. **CHAIRMAN MCCANN** and **SEN. TESTER** agreed that **Ms. Ericksen** could investigate the allegations by **SEN. GLASER** regarding the Western Heritage Center project. If there is some misappropriations of funds then it should be pursued, otherwise the committee does not need to be involved.

**SEN. TESTER** and committee members stated their appreciation to the Advisory Committee and the staff for their efforts in putting together the grant information for the committee.

#### **EXECUTIVE ACTION ON HB 11**

**{Tape : 3; Side : A; Approx. Time Counter : 241}**

**CHAIRMAN MCCANN** entertained a motion to open HB 11; **SEN. TESTER** so moved.

**Motion/Vote:** **SEN. TESTER** moved **TO OPEN HB 11 BE ADOPTED.** Motion carried unanimously.

**NOTE:** To identify the amendments they have a number located in the lower right hand corner.

**Motion:** **CHAIRMAN MCCANN** entertained a motion to amend HB 11 to address the Yellowstone County issue for the timing of the process. **REP. KASTEN** so moved. **CHAIRMAN MCCANN** explained that in order for the project to happen this is the process. **Brian McCullough** explained the details and provided an amendment #1106. **EXHIBIT(jlh24a09)**

*{Tape : 3; Side : A; Approx. Time Counter : 267}*

**Motion/Vote:** REP. KASTEN moved TO ADOPT AMENDMENT #1106 TO ADDRESS THE YELLOWSTONE COUNTY BRIDGE PROJECT #33 FOR TIMING OF PROCESS BE ADOPTED AS AMENDED. Motion carried unanimously.

*{Tape : 3; Side : A; Approx. Time Counter : 274-411}*

REP. KASTEN questioned the \$52,000.00 TSEP loan. John Tubbs, Department of Natural Resources & Conservation (DNRC), responded. General discussion followed. John Tubbs provided further background information. Discussion followed.

*{Tape : 3; Side : A; Approx. Time Counter : 413}*

**Motion/Vote:** SEN. BECK moved to PASS HB 11 AS AMENDED. BE ADOPTED AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 10

*{Tape : 3; Side : A; Approx. Time Counter : 432-441}*

CHAIRMAN MCCANN opened HB 10 to amend language.

NOTE: Skip to Tape 4, Side A. I goofed and did not record on side B of Tape 3!!!

*{Tape : 4; Side : A; Approx. Time Counter : 11-38}*

Brian McCullough provided an amendment #1001. **EXHIBIT(jlh24a10)**

**Motion:** REP. KASTEN moved to adopt the amendment. He explained the purpose of the amendment. Discussion followed. Jane Hamman directed the committee to page 5, line 9, you will see the language as it was included in the laws of 1999, it just was a technical error and was left out this time. Discussion followed.

**Motion:** REP. KASTEN moved to adopt amendment #1001 to clear up language and make it standard language. Discussion followed.

*{Tape : 4; Side : A; Approx. Time Counter : 42}*

**Motion/Vote:** REP. KASTEN moved TO ADOPT AMENDMENT #1001 TO CLEAR UP LANGUAGE IN HB 10 AND MAKE IT STANDARD LANGUAGE. BE ADOPTED AS AMENDED. Motion carried unanimously.

*{Tape : 4; Side : A; Approx. Time Counter : 45-185}*

**CHAIRMAN MCCANN** asked if there was further discussion on the bill. **REP. VICK** was concerned that there was a law or statute that the committee was not allowed to directly appropriate money to individuals or companies; it seems like in this bill we are. Discussion followed. **Jane Hamman** and **Jim Nolan, DPHHS**, provided background. **CHAIRMAN MCCANN** asked for a motion on this conceptual amendment and repeated the motion. **REP. KASTEN** so moved.

*{Tape : 4; Side : A; Approx. Time Counter : 186-210}*

**Motion/Vote:** **REP. KASTEN** moved that **HB 10, PAGE 3, LINE 20 BE AMENDED TO READ: OF THE AMOUNT APPROPRIATED IN SUBSECTION (1), THE DEPARTMENT IS DIRECTED TO CONTRACT UP TO \$90,000.00 TO ENERGY SHARE, INC. BE ADOPTED AS AMENDED.** Motion carried unanimously.

Discussion followed.

*{Tape : 4; Side : A; Approx. Time Counter : 228}*

**CHAIRMAN MCCANN** entertained a motion to move **HB 10.** **REP. KASTEN** so moved.

**Motion/Vote:** **KASTEN** moved **TO PASS HB 10 AS AMENDED BE ADOPTED AS AMENDED.** Motion carried unanimously.

#### EXECUTIVE ACTION ON HB 8

*{Tape : 4; Side : A; Approx. Time Counter : 233-425}*

**CHAIRMAN MCCANN** opened **HB 8.** **Brian McCullough** provided amendment #801 and discussed the various loans. **EXHIBIT(jlh24a11)** General Discussion followed; **Brian McCullough** and **John Tubbs**, provided information.

*{Tape : 4; Side : A; Approx. Time Counter : 426-439}*

**Motion/Vote:** **SEN. TESTER** moved **TO ADJUST THE REPAYMENT ON THE INTEREST ON THE BAIR DAM REHABILITATION TO THE SCHEDULE DISCUSSED; IT WOULD BE 4-1/2% FOR \$250,000.00; 2-1/4% AT THE NEXT \$250,000.00; ZERO PERCENT OVER \$500,000.00 AND THE DNRC AVERAGES THE LOAN AMOUNT BACK ON THOSE DOLLARS AND INTEREST RATE DISCUSSED. BE ADOPTED AS AMENDED.** Motion carried unanimously.

*{Tape : 4; Side : A; Approx. Time Counter : 439-469}*

**CHAIRMAN MCCANN** questioned for any further adjustments to **HB 8.** General discussion followed.

**{Tape : 4; Side : B; Approx. Time Counter : 25}**

Discussion continued. **John Tubbs, DNRC**, provided information; this loan formula applies to all four loans. Discussion followed.

**{Tape : 4; Side : B; Approx. Time Counter : 56}**

**Motion/Vote:** REP. VICK moved TO PASS HB 8 AS AMENDED. BE ADOPTED AS AMENDED. Motion carried unanimously.

**EXECUTIVE ACTION ON HB 7**

**CHAIRMAN MCCANN** opened HB 7.

**{Tape : 4; Side : B; Approx. Time Counter : 60}**

**Brian McCullough** explained the amendments to HB 7 and provided two amendments #701 and #702. **EXHIBIT(jlh24a12)**  
**EXHIBIT(jlh24a13)** **John Tubbs** provided background information on the three projects removed. **SEN. BECK** so moved.

**{Tape : 4; Side : B; Approx. Time Counter : 52}**

**Motion/Vote:** **SEN. BECK** moved TO ADOPT AMENDMENT #702 BE ADOPTED AS AMENDED. Motion carried unanimously.

**SEN. TESTER** questioned if this was 701 or 702. **CHAIRMAN MCCANN** clarified it was 702. **Brian McCullough** stated the committee had already moved on that; this re-confirms the motion adopted in the minutes of January 25, 2001. **SEN. TESTER** questioned if one of the three was moved up because it was fairly high environmental hazard. **CHAIRMAN MCCANN** responded it was in amendment #701, item 6. General Discussion followed.

**{Tape : 4; Side : B; Approx. Time Counter : 101-216}**

**Brian McCullough** updated the committee on oil & gas grants. **John Tubbs** and **Greg Mills** provided further information. Discussion followed. **REP. KASTEN** questioned about Liberty County. **John Tubbs** responded. **Greg Mills** provided background on the three counties. Discussion continued.

**{Tape : 4; Side : B; Approx. Time Counter : 216-273}**

**Motion:** **REP. KASTEN** moved to take \$50,000.00 from page 2, line 24 and put it on page 3, line 9.

General Discussion followed. **John Tubbs**, provided information

*{Tape : 4; Side : B; Approx. Time Counter : 274}*

Motion/Vote: REP. KASTEN moved TO TAKE \$50,000.00 FROM PAGE 2, LINE 24, BOARD OF OIL AND GAS AND PUT IT IN PAGE 3, LINE 9, GLACIER COUNTY. BE ADOPTED AS AMENDED. Motion carried 5-1 with Tester voting no.

*{Tape : 4; Side : B; Approx. Time Counter : 285}*

Motion/Vote: REP. KASTEN moved TO PASS HB 7 AS AMENDED BE ADOPTED AS AMENDED. Motion carried unanimously.

Brian McCullough informed the committee that REP. HAINES, HD 63 is still working on his amendment to HB 12 that deals with the energy conservation for state buildings. He has been asked if he would bring it before the committee on Thursday.

Meeting was adjourned.

**ADJOURNMENT**

Adjournment: 11:30 A.M.

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REP. MATT MCCANN, Chairman

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ANDREA HYATT, Secretary

MM/AH

**EXHIBIT** (jlh24aad)